

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 8067**

**BILL NUMBER:** SB 357

**DATE PREPARED:** Mar 22, 2001

**BILL AMENDED:** Mar 21, 2001

**SUBJECT:** UCC Financing Statements.

**FISCAL ANALYST:** John Parkey

**PHONE NUMBER:** 232-9854

**FUNDS AFFECTED:**      **GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** No Fiscal Impact

**Summary of Legislation:** (Amended) This bill provides that a security interest, instead of an unperfected security interest, is subordinate to the rights of certain other persons with priority and to certain lien creditors. It eliminates the requirement that the debtor authenticate financing statements and amendments to financing statements. The bill requires a secured party to furnish a copy of the financing statement to the debtor not later than 30 days after the filing of the financing statement. The bill provides that the burden of establishing compliance with the requirement to furnish a copy of the financing statement falls on the secured party. The bill establishes remedies for the failure of a secured party to furnish a copy of the financing statement to a debtor. It allows a debtor to recover an additional \$500 from a secured party that does not furnish a copy of the financing statement to a debtor. The bill makes certain changes to conform to uniform law. It provides that before July 1, 2002, a financing statement to perfect a security interest in farm equipment, a farm product, or an account or general intangible arising from or relating to the sale of a farm product shall be filed in a specified county recorder's office. The bill also makes technical corrections.

**Effective Date:** July 1, 2001.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:**

**Information Sources:**